

IDAHO WATER RESOURCE BOARD

WATER RESOURCE FUNDING PROGRAM



Fiscal Year 2002 Annual Report

Idaho Water Resource Board
1301 North Orchard Street
Boise, Idaho 83706
(208) 327-7900



IDAHO WATER RESOURCE BOARD

December 13, 2002

The Honorable Dirk Kempthorne, Governor
Members of the Idaho Legislature
Statehouse
Boise, ID 83720

Dirk Kempthorne
Governor

Re: Water Resource Funding Program Annual Report

Joseph L. Jordan
Chairman
Fruitvale
At Large

Dear Governor Kempthorne and Idaho Legislators:

Jerry R. Rigby
Vice Chairman
Rexburg
At Large

The Idaho Water Resource Board is pleased to present the Fiscal Year 2002 Annual Report on the Board's Water Resource Funding Program. Pursuant to the Idaho 2020 Blue Ribbon Task Force recommendations to reduce costs, this report is made available on the attached compact disk. It is also available on the world-wide web at <http://www.idwr.state.id.us/waterboard>. This program provides assistance to plan, design, construct, improve, and rehabilitate water resource projects that are in the public interest and in compliance with the State Water Plan. Water availability is perhaps the most important element of maintaining and expanding a strong, stable Idaho economy. The ongoing replacement and improvement of irrigation infrastructure is necessary to ensure continued agricultural production, which provides the economic foundation for the state. The Board works with Idaho's communities to ensure adequate and safe water supplies for the basic water supply needs of the residents and to attract new businesses and industries.

Dick Wyatt
Secretary
Lewiston
District 1

Sixteen loans and seven grants were authorized for 23 water projects and studies described in this report. The funds authorized for these projects total approximately \$1.8 million. Significant projects authorized include the construction of two major irrigation pipelines on the Preston Bench to replace open canals; the construction of new city wells in Bloomington, Picabo, and Lava Hot Springs; the Oakley Valley Water Project; and the Wilderness Ranch Surface Water Treatment Plant.

Leonard Beck
Burley
District 3

Terry T. Uhling
Boise
District 2

In addition, the Board was able to refinance a \$26.8 million Water Resource Development Revenue Bond that was issued in 1991, the proceeds from which were loaned to United Water for the construction of various water facilities in the Boise area including the United Water Treatment Plant on the Boise River. The refinancing allows the Board to take advantage of the current low market interest rates. The resultant savings were largely passed on to United Water, ultimately resulting in savings to United Water's customers.

Bob Graham
Bonners Ferry
At Large

L. Claude Storer
Idaho Falls
District 4

Gary M. Chamberlain
Challis
At Large

The Honorable Dirk Kempthorne, Governor
Members of the Idaho Legislature
December 13, 2001
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Work was completed on the Sugarloaf Aquifer Recharge Project with funds appropriated by the 2001 Legislature and administered by the Board.

It is important to note that all new construction funds authorized during FY2002 were for projects in rural areas of the state. These projects provide both long-term economic and water supply benefits and the short-term economic benefits of increased construction employment and material purchases. This program supports Governor Kempthorne's rural economic development initiative and serves to implement portions of this initiative. There are few things as vital to Idaho's economic development as water.

The Board currently sees several trends that will necessitate expansion of this program. First are the needs of small community water systems in obtaining additional water supplies, improving delivery systems and complying with the ever more stringent drinking water regulations. For example, the new arsenic limits that will take effect in 2006 will likely affect dozens of towns across southern Idaho. Second, the drought and uncertain energy costs are prompting increased interest in efficiency improvements by many irrigation districts and canal companies. Third, several storage dam repair projects, potentially totaling several million dollars, are currently in the planning phase. Lastly, as Idaho moves toward conjunctive administration of water resources, additional resources will be needed to construct mitigation projects to alleviate conflicts between surface water users and ground water users.

The Board believes this program is an excellent example of a successful public/private partnership. With funding and oversight from the Board, private-sector contractors build the projects. When necessary, private-sector engineering consultants provide planning and design services. The Board strives to make opportunities available within this program for the services of private-sector financial institutions. When completed, the projects provide lasting benefits in the areas of irrigation and community water supplies, flood control, and hydroelectric power generation.

We trust that the Governor and the Legislature will recognize the valuable service that the Board provides in assisting the planning, construction, rehabilitation, and improvement of Idaho's water resources infrastructure and continue to support this invaluable program.

Respectfully,

Joseph L. Jordan
Chairman

WATER RESOURCE FUNDING PROGRAM

Fiscal Year 2002 Annual Report

(July 1, 2001 - June 30, 2002)

IDAHO WATER RESOURCE BOARD

Joseph L. Jordan, P.E., Chairman
Jerry R. Rigby, Esq., Vice-Chairman
D. Richard Wyatt, P.E., Secretary
Bob Graham
Terry T. Uhling, Esq.
Claude Storer
Leonard Beck
Gary M. Chamberlain

Karl J. Dreher, P.E., Director
Idaho Department of Water Resources

Prepared by Brian W. Patton, P.E.

Cover Photograph: Well drilling during the Georgetown Water Supply Project by Westlake Drilling of Preston, Idaho. This project, undertaken in 2000-2001, included the reconstruction of the water collection facilities at Little Right Fork Spring, the main water source for the city of Georgetown and the construction of a back up well.

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EXECUTIVE SUMMARY

This program provides assistance to plan, design, construct, improve and rehabilitate water resource projects that are in the public interest and in compliance with the State Water Plan. Water availability is perhaps the most important element of maintaining and expanding a strong, stable Idaho economy. The continued reconstruction and improvement of irrigation infrastructure is necessary to ensure continued agricultural production, which provides the state's economic foundation. The Board works with Idaho's communities to ensure they have adequate and safe water supplies. This is necessary, not only to provide for the basic water supply needs of the residents, but also to attract new businesses and industries.

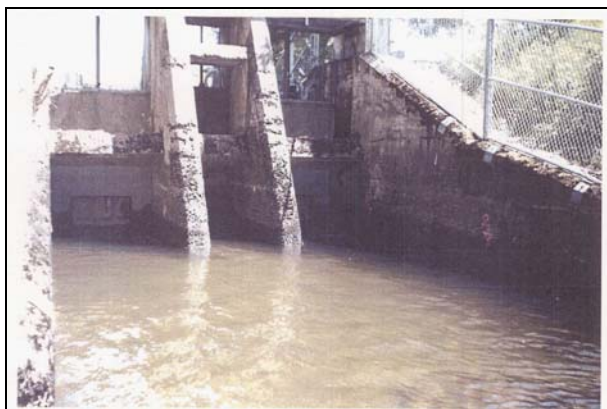
Sixteen loans and seven grants were authorized for 23 water projects and studies described in this report. The funds authorized for these projects total approximately \$1.8 million. In addition, the Board was able to refinance a \$26.8 million Water Resource Development Revenue Bond that was issued in 1991, the proceeds from which were loaned to United Water for the construction of various water facilities in the Boise area including the United Water Treatment Plant on the Boise River. The refinancing allows the Board to take advantage of the current low market interest rates. Work was completed on the Sugarloaf Aquifer Recharge Project as directed by the 2001 Legislature.

INTRODUCTION

The Water Resource Funding Program provides assistance to plan, design, build, improve, and rehabilitate water projects that are found to be in the public interest and in compliance with the State Water Plan, and to promote and achieve the efficient and effective use of Idaho's water resources.

\$145 million has been provided for 573 water projects and studies across Idaho since the program's beginning in 1969. Funded water projects include irrigation, municipal/community water, flood control, drainage, and hydropower projects.

This report, required by Idaho Code § 42-1759, provides an overview of the program and its accomplishments and describes program activities during fiscal year 2002.



The Water Resource Board and the Twin Lakes-Rathdrum Flood Control District are currently in discussions regarding the Board's potential financing of the reconstruction of the District's Twin Lakes Dam. **Above:** Downstream view of the Twin Lakes Dam outlet gates. Note the concrete deterioration. **Below:** Concrete core drilling to obtain samples for testing at the Twin Lakes Dam as part of program, partially funded by the Water Resource Board, to evaluate the condition of this dam.



The Idaho Water Resource Board has assisted in 25 dam repair, reconstruction and enlargement projects at the following dams:

Magic Dam	Portneuf Dam
Priest Lake Dam	Troy Dam
Fish Creek Dam	Oakley Dam
St Johns Dam	Strong Arm Dam
Kirby Dam	Mackay Dam
C. Ben Ross Dam	Johnson Dam
Crowther Dam	Sage Hen Dam
Brundage Dam (enlargement)	

The storage provided by these dams totals approximately 516,000 acre-feet.

A major leak developed at St Johns Dam near Malad in May of 2002. The Water Resource Board is currently working with the Malad Valley Irrigation District to evaluate the feasibility of repairing St. Johns Dam and other possible water supply options.



PRESTON BENCH IRRIGATION PIPELINE PROJECTS

The Idaho Water Resource Board has been assisting the Preston Bench water users with a program to construct two major irrigation pipelines to replace open canals. These pipelines have been on the drawing board for more than 20 years and were originally planned by the Water Resource Board. These pipelines are designed to take advantage of gravity pressurization so pumping for sprinkler irrigation will be dramatically reduced. It is estimated that irrigation pumping will be reduced by more than 80% and approximately 2.5 million kilowatt hours per year, resulting in substantial cost savings to the irrigators. The East Pipeline was constructed during the fall and winter of 2001 and was operational for the 2002 irrigation season. The North Pipeline should be operational for the 2003 irrigation season. Both pipelines together will serve approximately 4,800 acres of highly productive farmland on the Preston Bench. The Preston-Riverdale & Mink Creek Canal Company will repay the construction cost to the Water Resource Board over a 20-year term.



Above: Installation of a 15-inch pipe segment near the end of the East Pipeline. **Below:** Preparing pipe for installation.



Above and Below: construction of the East Pipeline intake structure.



THE NEED FOR A WATER RESOURCE FUNDING PROGRAM

Idaho, like all of the western states, was settled where water was available. The planning and development of adequate water supplies has been an ongoing activity. Systems were built to bring water to farms and cities. Pipelines, dams, and canals were built and rebuilt. Historically, the overwhelming burden of this work fell on private individuals and cooperative groups until the federal government stepped in and assisted in the construction of irrigation, flood control, rural and municipal drinking water, and wastewater systems. For the past several decades, federal budget deficits, environmental concerns, and other priorities have reduced federal spending for water projects. Thus, by necessity, the states have become more important players in the planning, financing, and construction of water projects for a variety of uses. Almost all western states now have water project construction and financing programs.

The demand for water continues to increase in Idaho, resulting in the need to construct new water systems, rehabilitate and expand existing water systems, and make more efficient use of existing water supplies.

Many community water systems around the state were constructed years ago and now need rehabilitation or replacement. The rapid growth of the past several years is forcing many communities to find additional water supplies and upgrade their water systems to meet higher demand levels. These upgrades range in cost from a few thousand dollars to tens of millions of dollars.

Many small communities are struggling to comply with the provisions of the Safe Drinking Water Act.



New municipal well under construction for the town of Picabo. This project was completed in the spring of 2002. Eaton Drilling & Pump (Wendell) was the lead contractor. The Picabo Water System will repay the project cost to the Water Resource Board over 10 years.

The Idaho Water Resource Board has assisted with the construction of 63 community water supply wells in the following communities:

**City of Boise
City of Cascade
City of Donnelly
Dalton Gardens
Silver Sage
Mores Creek Rim Ranches
M&M Subdivision
City of Elk River
City of Ririe
East Lizard Butte
Mid-Way area
Rocky Beach
Spirit Bend
Kidd Island Bay
Chaparral
City of Juliaetta
Riverland Terrace
Covert Subdivision
City of Downey
Forrey Heights
Conkling Park
Garden Valley Ranchettes
City of Georgetown
Midas
Shilo Ranch Estates
Whitney
Scenic Properties
Bee Line
New Hope
City of Firth
Lakeview
Picabo
City of Lava Hot Springs (under construction)
City of Bloomington (under construction)**

Because these regulations often require expensive upgrades or new facilities, many communities are finding it difficult to finance the required improvements.

Many irrigation systems around the state were built during pioneer days and are also in need of rehabilitation or replacement. Old irrigation systems can be subject to seepage and evaporation losses or inefficient pumping. Improving or rebuilding these irrigation systems with current technologies can result in more efficient use of Idaho's water resources.



Hydroelectric turbine-generator units at the Island Park Powerplant. The construction of this project in 1993 was financed through Water Resource Development Revenue Bonds issued by the Water Resource Board. The powerplant owner, the Fall River Rural Electric Cooperative, which provides electrical service to rural areas in Fremont, Madison, and Teton Counties, pays the debt service on the bonds.

Opportunities exist for constructing “in-town” irrigation systems for residential lawn and garden irrigation, and the irrigation of parks, schoolyards, and cemeteries. These systems can reduce the demand load on municipal water systems. Since most municipal systems provide some level of water treatment, it can be more cost-effective to use untreated water for irrigation uses and reserve the more expensive treated water for indoor uses.

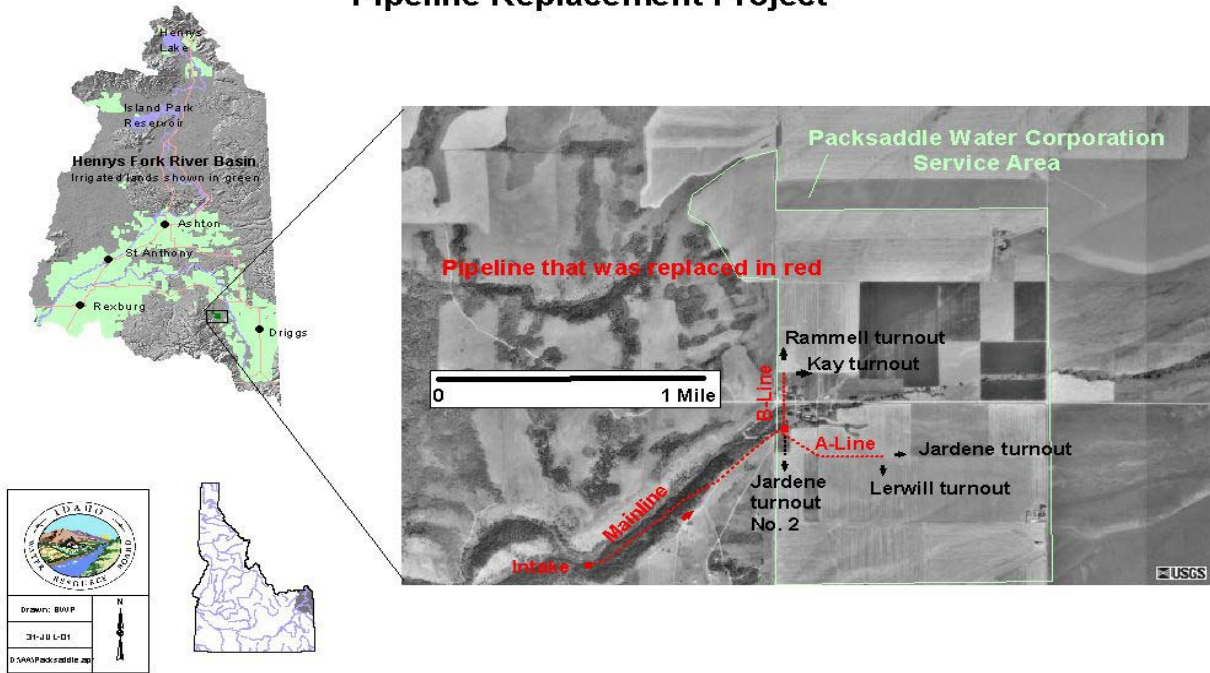
Many of the storage projects around the state were built without the benefit of current design and construction techniques. Dams were often built with inadequate spillways, outlets, or freeboard due to inadequate hydrologic records. Earthquake forces were not considered during planning, design, and construction. Many dams need repairs and improvements to bring them up to current safety standards. These repairs can be very costly and often the organizations responsible for the dams have limited ability to pay for the needed repairs.

Devastating floods have occurred in Idaho during recent years. Opportunities exist for projects, both structural and nonstructural, to reduce the damages caused by these floods.

Hydroelectric power production opportunities remain at many existing dams, canal drops, and other water control structures that were built for irrigation, flood control, or other purposes. These hydroelectric projects not only serve to make Idaho more energy independent and develop a renewable energy resource, in many cases can also provide revenues to the water users to help offset operations and improvement costs. In some cases existing powerplants and can be upgraded or enlarged.

The water resource funding program provides lasting benefits to Idaho in the areas of irrigation and community water supplies, flood control, and hydroelectric power, providing for the water supply needs of Idaho's communities and greatly enhancing Idaho's economy. Idaho is blessed with potential large headwater storage sites that could meet future storage needs. Hopefully economic conditions will improve to allow future funding for large multiple-use projects.

Packsaddle Water Corporation Pipeline Replacement Project



The Idaho Water Resource Board assisted the Packsaddle Water Company with replacing its irrigation water pipeline. This pipeline system provides gravity-pressurized irrigation water for approximately 800 acres of farmland near Tetonía. The total project cost was \$102,000, of which about one-half was provided up front by the Packsaddle Water Company. The remaining half of the project cost will be repaid to the Water Resource Board by the Packsaddle Water Company over a 10-year contract term. **Above:** Map showing location of the project. **Below:** Photographs showing installation of the replacement pipeline. The project contractor was Rain-For-Rent (Idaho Falls).



PROJECTS FUNDED DURING FISCAL YEAR 2002

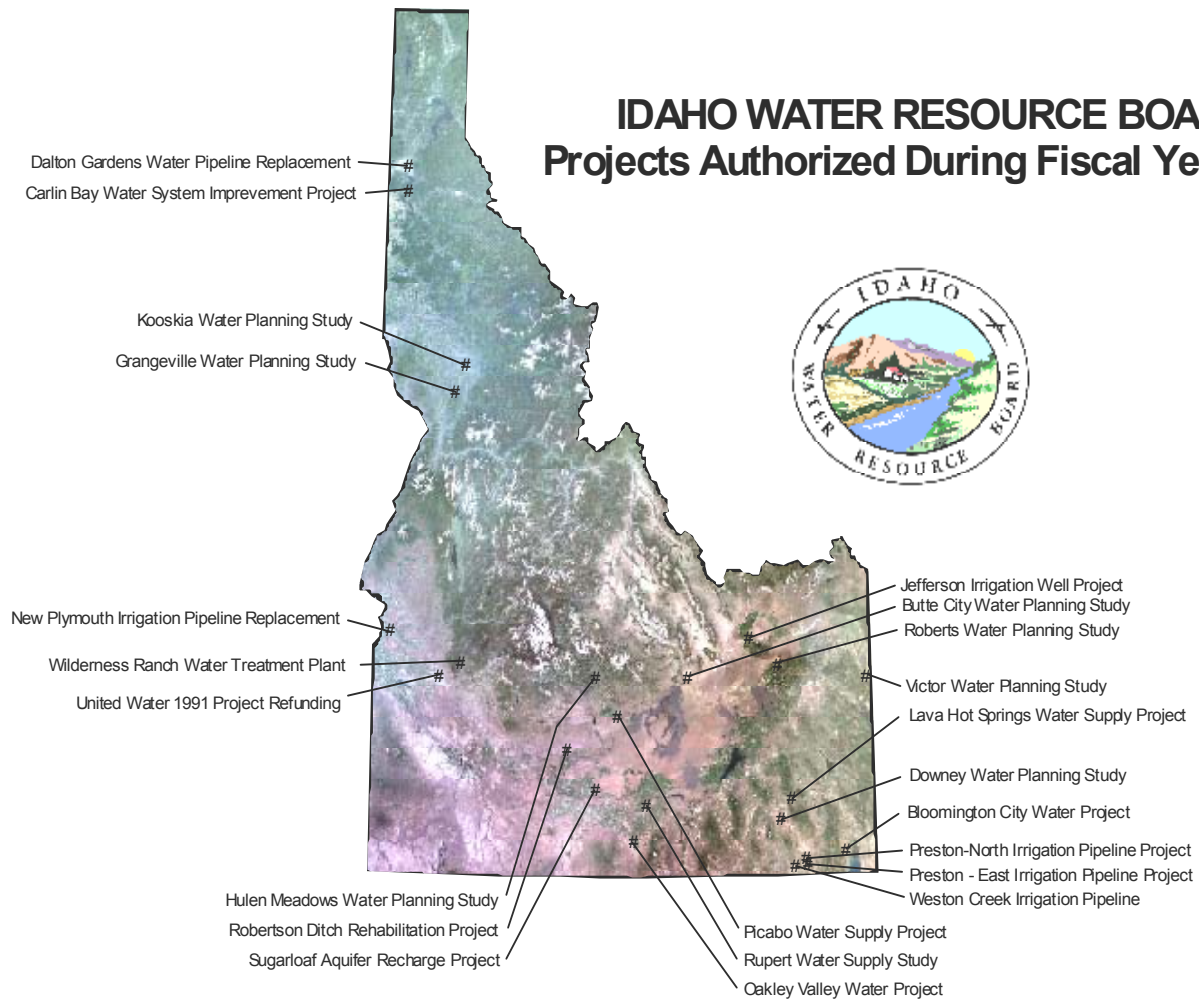
During Fiscal Year 2002, the Idaho Water Resource Board authorized funds for the water resource projects listed below. More complete descriptions of these projects are included in Appendix A.

	PROJECT	GRANT	LOAN	REVENUE BOND LOAN	LEGISLATIVELY DIRECTED IWRB PROJECT EXPENDITURE
1	Bloomington City Water Project		\$125,000		
2	Butte City Water Planning Study		\$8,250		
3	Carlin Bay Water System Improvements		\$32,014		
4	Dalton Gardens Water Pipeline Replacement		\$150,000		
5	Downey Water Planning Study	\$7,500			
6	Grangeville Water Planning Study	\$7,500			
7	Hulen Meadows Water Planning Study	\$7,500			
8	Jefferson Irrigation Well Project		\$85,800		
9	Kooskia Water Planning Study	\$7,500			
10	Lava Hot Springs Water Supply Project		\$347,510		
11	New Plymouth Irrigation Pipeline Replacement		\$7,450		
12	Oakley Valley Water Project		\$158,525		
13	Picabo Water Supply Project		\$38,000		
14	Preston – East Irrigation Pipeline Project (1)		\$100,000		
15	Preston – North Irrigation Pipeline Project		\$500,000		
16	Roberts Water Planning Study	\$3,250	\$23,250		
17	Robertson Ditch Rehabilitation Project		\$30,000		
18	Rupert Water Supply Study	\$7,500			
19	Sugarloaf Aquifer Recharge Project (2)				\$60,000
20	United Water 1991 Project Refunding (3)			\$26,775,000	
21	Victor Water Planning Study	\$3,250	\$23,250		
22	Weston Creek Irrigation Pipeline		\$8,000		
23	Wilderness Ranch Water Treatment Plant		\$120,000		
	TOTALS				

- (1) \$300,000 was authorized for this project in FY01.
(2) Directed and funded by 2001 Legislature (SB1239).
(3) Refunds a 1991 Water Resource Development Revenue Bond, the proceeds from which were loaned to United Water to construct water facilities in the Boise area.

GRAND TOTAL: \$28,635,524

IDAHO WATER RESOURCE BOARD Projects Authorized During Fiscal Year 2002



TWENTY-MILE SURFACE WATER TREATMENT PLANT

The Twenty-Mile Creek Water Association provides drinking water service to approximately 300 people in the village of Naples and the surrounding areas of Boundary County. This water system was originally constructed in 1962 with federal assistance. Due to the lack of adequate groundwater supplies, water is supplied from the nearby Twenty-Mile Creek so a water treatment plant is required. By the late 1990's the original water treatment plant was no longer adequate and the Water Resource Board agreed to finance the construction of a new plant. Construction was begun in 2000 by Bonners Ferry Builders, a local contractor, and was complete in the fall of 2001. Engineering design was done by Welch Engineering of Sandpoint. The new plant meets all current drinking water standards. A secondary benefit of this project was increased construction employment in a region of the state with high unemployment rates. The Twenty-Mile Creek Water Association will repay the construction cost the Water Resource Board over a 15-year term.



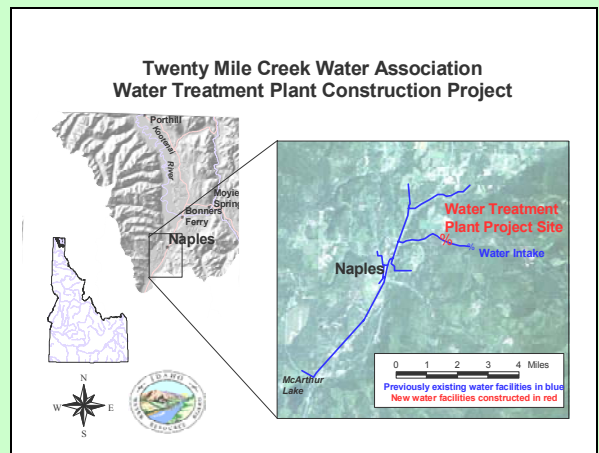
Control room inside the new plant.



View of the filter beds inside the new plant.



Exterior view of the water treatment plant.



Location map.

SURFACE WATER TREATMENT PLANTS

When groundwater is not available in sufficient quantities for community water supplies, surface water from streams or lakes must be used. Surface water used for community water supply generally requires a much higher level of treatment than does groundwater used for the same purpose. The Water Resource Board has assisted with the following surface water treatment plant projects:

Plant	Water Source	Community	Type of Work
Twenty-Mile	Twenty-Mile Creek	Naples	Replacement plant
Kulleyspell	Lake Pend Orielle	Hope Peninsula	New plant
Pierce	Canal Creek	Pierce	Upgrade existing plant
United Water	Boise River	Boise	New plant
Skin Creek	Skin Creek	Skin Creek Area	Replacement plant
Dover	Pend Orielle River	Dover	New Plant
Colburn	Berry Creek	Colburn	Upgrade existing plant
Trow Creek	Trow Creek	Porthill	Upgrade existing plant
Wilderness Ranch	Mores Creek	Wilderness Ranch	New plant (currently in design)



Interior of the United Water Treatment Plant. This plant was constructed in 1992 by United Water Idaho to treat Boise River water to drinking water standards. The water is then supplied for municipal use in the Boise area. This plant was the primary United Water facility financed by the 1992 Water Resource Development Revenue Bond issued by the Water Resource Board. United Water makes the debt service payments on the bond. During FY02, the Water Resource Board was able to refinance this bond at a lower interest rate, ultimately resulting in savings to United Water and its customers.

COMPONENTS AND OPERATION OF THE PROGRAM

The Water Resource Funding Program provides financial assistance to plan, design, construct, improve, expand, and rehabilitate the infrastructure necessary to deliver water to the people of Idaho and promote the efficient and effective use of Idaho's water resources. The financial assistance provided is in the form of loans, grants, and Board-issued revenue bonds.

Projects proposed for funding through this program must be in the public interest, be in compliance with the State Water Plan, and be economically feasible, technically viable, and environmentally acceptable. One of the guiding principals of the program is that as much of the work as possible is performed by private-sector engineering and construction firms. Guidance and project oversight is provided by the Board's engineering staff to ensure that the projects are well designed and constructed, address the intended needs, and make the best use of available funds. Assistance is also provided in determining the scope of a proposed project and determining when the assistance of an engineering consultant is needed. When possible, projects with multiple uses are encouraged.

The Water Resource Board Funding Program consists of the Revolving Development Account, Water Management Account, and the Water Resource Development Revenue Bond Program.

Revolving Development Account

The Revolving Development Account, the first component of this program, was created by the Idaho Legislature in 1969 to support the development of Idaho's water resources through new construction, and through the rehabilitation or expansion of existing water projects. Funds from this account may be used by the Water Resource Board for any water project in the public interest or may be loaned to appropriate entities to finance water projects. The Revolving Development Account balance sheet as of July 1, 2002 is included in Appendix B.

Water Management Account

The Idaho Legislature created the Water Management Account in 1978 to complement the Revolving Development Account. Loans and grants may be awarded to appropriate entities to finance water projects, and the Water Resource board may expend money from this account to undertake Board development of appropriate projects that are in the public interest. In addition, this account serves as a mechanism for the Legislature to fund specific water projects or studies. The Water Management Account balance sheet as of July 1, 2002 is included in Appendix B.

Projects funded through the Water Management Account must fall into one of the following categories: reclamation,



Agriculture in Idaho often requires the transportation of water through canals over long distances to irrigate crops. This canal, known as the Robertson Ditch, was renovated in 2002 with assistance from the Water Resource Board. The Robertson Ditch Company will repay the cost to the Board over 10 years.

upstream storage, off-stream storage, aquifer recharge, reservoir site acquisition and protection, water supply, water quality, recreation, or water resource studies.

Water Resource Development Revenue Bonds

The constitutional amendment that created the Idaho Water Resource Board authorizes the Board to issue Water Resource Development Revenue Bonds to finance the construction of water projects. Legislation passed in 1981 clarified the Board's authority to issue these bonds to finance water projects undertaken by local organizations within Idaho such as cities, irrigation districts, and water companies. The Board receives the

proceeds from the bond sale, and then loans the funds to the project sponsor. Since 1983 when the first bond was issued through this program, \$128 million in project financing was provided for the construction of 148 water projects. The Bonds are issued by the Water Resource Board, usually enabling the project sponsor to obtain the advantages of tax-exempt financing. The bonds are secured by project revenues. The Board may also issue revenue bonds to finance projects undertaken by the Board such as the Dworshak Hydropower Project.



The Water Resource Board is currently working with the Fremont-Madison Irrigation District to evaluate the feasibility of adding a hydroelectric power plant to Chester Dam, located on the Henrys Fork River. Preliminary work indicates a power plant on this dam would generate an average of 16.1 million kilowatt-hours per year from the water passing over the dam, enough to supply the energy needs of approximately 1,500 homes. If determined to be feasible, this project would be financed through a Water Resource Development Revenue Bond.

The tax reform act of 1986 placed a number of severe restrictions on the issuance of these bonds. In passing the act, congress sought to limit the use of tax-exempt financing to minimize losses in federal tax revenue. The result was that a valuable financing tool was lost for small projects. Currently, the general rule is that a project must be more that \$1 million in size in order for this to be a feasible financing alternative.

The pooled loan bond program is an innovative approach the Board uses is to pool multiple water projects under the issuance of a single bond. Two projects totaling \$6.37 million were financed by this method during FY2000, including the construction of pressurized irrigation systems in downtown Caldwell and a residential area of Boise.

While pooling has been shown to be useful for many projects, there are limitations. Since the bonds are sold in the financial markets, the terms are market-driven. This may result in terms and security requirements that can preclude many project sponsors from undertaking necessary projects. The Board's intent is to use the Water Resource Development Revenue Bonds, the Revolving Development Account, and the Water Management Account to maximize the availability of funding for water resource projects.

WATER PROJECTS AND IDAHO'S ECONOMIC DEVELOPMENT

Water is essential for the stability and continued growth of Idaho's economy. Agriculture is a major part of the state's economy and has traditionally been a stabilizing influence to moderate the boom and bust cycles of the state's mining and timber industries. Idaho's newer high-tech industry also now appears to be subject to boom and bust cycles, making agriculture's stabilizing influence all the more important. By assisting with the reconstruction and improvement of irrigation systems, the Water Resource Board is helping to ensure that the water supply, storage, and delivery infrastructure necessary for agricultural production will be in place for many years to come.

Water is essential for the stability and growth of Idaho's communities. By assisting with the construction and improvement of community water supply, storage, treatment, and delivery projects, the Water Resource Board is helping to make the state's communities attractive places to live. The construction of these projects fosters economic development, making the state's communities attractive places for business and industry to locate by offering stable, viable water supplies.



The Water Resource Board assisted the City of Firth with the construction of the City's Well No. 3, which was completed in December of 2001. An adequate water supply is necessary to provide for the domestic needs of the City's residents and also to support industrial needs of the several potato processing plants located in Firth. **Above:** Well No. 3 under construction by High Plains Drilling (Rexburg). **Below:** Completed well and pumphouse.



A secondary benefit of these projects is the increased employment and material purchases involved in project planning, design, and construction. Studies by the U.S. Department of Commerce show that every dollar (\$1) spent on construction projects generates \$2 in total economic activity, greatly benefiting local economies. When considered cumulatively, it can be seen that the projects funded through this program have had a very large positive impact on the state's economy.

LOOKING AHEAD

The Water Resource Board Funding Program is assisting the people of Idaho with developing the vital infrastructure required to manage the state's water resources. Local governments and cooperatives throughout the state have demonstrated their capability, with state assistance, to develop projects that address local water needs and opportunities. There also may be further opportunities for the construction of state-sponsored projects that provide regional benefits.

Due to the dry conditions and uncertain energy costs, the Water Resource Board is emphasizing irrigation system improvements wherever possible. Several are anticipated for the upcoming years. Several dam repair projects are also anticipated in the next few years, possibly totaling several million dollars. Additional municipal and community water system projects are also expected. Given the increasing need for water system improvement and rehabilitation throughout the state, expansion of the program is vital to Idaho's economic future.

APPENDIX A: PROJECT REPORTS

Fiscal Year 2002 Water Resource Board Funded Projects and Studies

BLOOMINGTON CITY WATER PROJECT

Project Sponsor: City of Bloomington
Funding Amount: \$125,000 loan
Funding Committed: October 19, 2001
Account: Revolving Development Account
Project Completed: Ongoing

Project Description: The City of Bloomington is located in the Bear River Basin and supplies water to 97 homes, 15 stock watering hydrants, 2 commercial connections, and 2 dairies. The City's only water source is a spring located about 3 miles west of town up Bloomington Canyon. In 1998 the Water Resource Board and the City jointly funded a study of this water system by Sunrise Engineers (Afton, WY). Sunrise recommended constructing a back-up well, additional storage for peak-use demands and fire protection, and installing chlorination facilities. The total project is estimated to cost \$575,000. The City was awarded a \$450,000 federal grant to pay for part of the project, and the Water Resource Board's loan will pay for the remainder of the project. The City is currently dealing with water right issues regarding the proposed well.

BUTTE CITY WATER PLANNING STUDY

Project Sponsor: City of Butte City
Funding Amount: \$8,250 loan & \$3,250 grant
Funding Committed: August 17, 2001 & May 11, 2001
Account: Water Management Account
Project Completed: Ongoing

Project Description: The City of Butte City is located about 5 miles east of Arco along US 20/26. The City provides water service to 33 residential connections, 4 commercial connections and an agricultural processing plant. Water is supplied from two wells. There are several concerns about this system. The system is approximately 50 years old with no major upgrades done since original construction. Due to the age, a significant portion of the system appears to be in a deteriorated condition, which may impact public health. The City has been placed on boil orders on a number of occasions in recent years due to the presence of total coliform bacteria. Due to these concerns the Water Resource Board and the City are jointly funding a study to determine how to fix these problems. The study, being conducted by the Dyer Engineering Group (Rexburg), will provide a recommended project and cost estimates

CARLIN BAY WATER SYSTEM IMPROVEMENT PROJECT

Project Sponsor: Carlin Bay Property Owners Association
Funding Amount: \$32,014 loan
Funding Committed: April 19, 2002
Account: Revolving Development Account
Project Completed: July 2002

Project Description: The Carlin Bay Property Owners Association provides water service to the Carlin Bay area adjacent to Lake Coeur d'Alene. The Association also owns and maintains the roads within the community, an airstrip, boat docks, and a sewage collection and treatment system. The Association pumps water from Lake Coeur d'Alene and treats the water prior to delivery for domestic use. The water system was constructed in 1981. Much of the original water piping was improperly constructed, resulting in excessive leakage from the system. The project consisted of the following: (1) Replace 1,160 LF of leaking water main, and (2) Install a variable frequency drive (VFD) on the Association's primary lake pump, extending the life of the pump. This work was completed in May of 2002 by Verquist Construction (Harrison) and the R.C. Worst Pump Company (Coeur d'Alene).

DALTON GARDENS WATER PIPELINE REPLACEMENT

Project Sponsor: Dalton Water Association
Funding Amount: \$150,000 loan
Funding Committed: April 19, 2002
Account: Revolving Development Account
Project Completed: September 2002

Project Description: The Dalton Water Association provides water service in the community of Dalton Gardens, which is located just north of Coeur d'Alene. The Association delivers water to approximately 875 homes and 85 commercial connections. The IWRB has provided construction funds for several previous projects including the construction of a well and two water storage tanks. This project was to replace the water pipeline along 4th street from Hanley Ave. to Prairie Ave. This water pipeline was a 4-inch asbestos-cement pipe that was originally installed in 1947. The project was complete in September of 2002 by Willms Construction (Spokane, WA). J-U-B Engineers (Coeur d'Alene) provided engineering services for the project.

GRANGEVILLE WATER PLANNING STUDY

Project Sponsors: City of Grangeville
Funding Amount: \$7,500 grant
Funding Committed: February 15, 2002
Account: Water Management Account
Project Completed: Ongoing

Project Description: The City of Grangeville provides water service to approximately 1,200 residential connections, and 200 commercial connections. The City's total population is estimated at 3,200 people. Water is supplied from 5 wells. The majority of the City's distribution system is ageing, creating ongoing maintenance and repair problems. In order to determine how to fix these problems and to determine what improvements are necessary, the City and the Water Resource Board are jointly funding this study. The work is currently underway by Entranco Engineering (Boise).

HULEN MEADOWS WATER PLANNING STUDY

Project Sponsor: Hulen Meadows Water Company
Funding Amount: \$7,500 grant
Funding Committed: August 17, 2001
Account: Water Management Account
Project Completed: March 2002

Project Description: The Hulen Meadows Water Company & Owners Association provides water service to the Hulen Meadows subdivision, located about 2 miles north of Ketchum along the Big Wood River. The Association provides water service to 152 residential connections. Water is supplied from 3 wells. During periods of high use the system often runs out of water, indicating that the water system was not built to accommodate the current level of use. In order to determine how to fix this situation, the Water Company and the Water Resource Board jointly funded a study that was done by J-U-B Engineers (Twin Falls). The study was complete in March of 2002. J-U-B recommended several improvements to fix the problem, including the construction of an additional storage tank and improvements to the distribution system.

JEFFERSON IRRIGATION WELL PROJECT

Project Sponsor: Jefferson Irrigation Company
Funding Amount: \$85,800 loan
Funding Committed: April 19, 2002
Account: Revolving Development Account
Project Completed: Ongoing

Project Description: The Jefferson Irrigation Company delivers irrigation water to 9,871 acres near Mud Lake. Water is supplied from a field of 15 wells located several miles northeast of the service area and delivered by open canal. The primary crops are hay, grains, and some potatoes. There are 31 shareholders and the average farm size of 318 acres. In 1992 the IWRB authorized \$130,000 for deepening 3 wells and replacing pumps and electrical equipment in 7 wells. Since that project, the Company has deepened 2 additional wells with its own funds. Originally, the Company's wells were all about 60' deep. The Eastern Snake Plain Aquifer ground-water level in the well field area is about 50 feet below the ground surface. Localized groundwater level draw-downs due to well pumping often cause the ground-water level to drop below these wells. This is a localized problem due to ground-water pumping from the Company's well field and the nearby well fields of other irrigation companies, and inadequate well penetration into the aquifer. There is no regional ground-water level decline in this area. The Company's solution has been to deepen some of its wells. Five of the Company's wells have been deepened to a depth of about 140 feet, providing good penetration into the aquifer. The project is the deepening of Well No. 12 to 140 feet, and the replacement of Well No. 1 to 140 feet. This work is currently underway by High Plains Drilling (Rexburg).

KOOSKIA WATER PLANNING STUDY

Project Sponsor: City of Kooskia
Funding Amount: \$7,500 grant
Funding Committed: December 7, 2001
Account: Water Management Account
Project Completed: Ongoing

Project Description: The City of Kooskia is located in the Clearwater River Basin. The City provides water service to 278 residential connections, and 51 commercial connections. Water is supplied from three wells. This study was prompted by the City's recent water line extension to the Kooskia School in response the School's well going dry. Several other line extensions are planned in the future to serve small water systems near Kooskia. The DEQ normally wants a planning study in place prior to extending the system. Due to the emergency nature of the school situation the extension was allowed without the planning study in place. However, the study must be in place prior to further extensions. The Water Resource Board agreed to cost-share with the City on this study. The study is currently underway by Progressive Engineering (Lewiston).

LAVA HOT SPRINGS WATER SUPPLY PROJECT

Project Sponsor: City of Lava Hot Springs
Funding Amount: \$347,510 grant
Funding Committed: December 7, 2001
Account: Revolving Development Account
Project Completed: Ongoing

Project Description: The City of Lava Hot Springs is located along the Portneuf River. The adjacent hot springs have been highly developed into recreational sites, so the City's population varies from about 450 people in the winter to about 2,000 in the summer. The water sources are 11 springs and 2 wells. Because of the resort nature of the town, a high number of commercial facilities (73) receive water from this system. Because of growth over the past decade and increasing variability in supplies from the springs, the City is anticipating the need for additional water supplies. The City and the Water Resource Board jointly funded a study, done by CRS-Shepherd Engineering (Pocatello), to determine how to fix these problems. The study was complete in October of 2001, and the Water Resource Board agreed to provide loan funds to implement several of the recommendations in the study. The City is currently issuing proceeding with bidding the first phase of the project.

NEW PLYMOUTH IRRIGATION PIPELINE REPLACEMENT

Project Sponsor: New Plymouth Water Users Association
Funding Amount: \$7,450 loan, 5.5%, 10-year repayment term
Funding Committed: February 15, 2002
Account: Revolving Development Account
Project Completed: Spring 2002

Project Description: The New Plymouth Water Users Association delivers in-town irrigation water to shareholders in the City of New Plymouth. This system is a lateral from the Farmers Coop Canal. The primary benefit of this system is the avoidance of using the New Plymouth municipal water system, which is much higher cost water, for irrigation use. A 1,440 LF section of concrete pipe that conveyed water from the canal into New Plymouth was breaking up in the ground. This was causing problems with water delivery, as much of the water was lost through the broken pipe. This pipe was a locally made, un-reinforced concrete pipe installed in 1954. The project consisted of replacing this pipe with new PVC pipe. This was completed in time for the 2002 irrigation season. Ontario Pipe (Ontario, OR) was the project contractor.

OAKLEY VALLEY WATER PROJECT

Project Sponsor: Oakley Valley Water Company
Funding Amount: \$158,525 loan
Funding Committed: June 14, 2002
Account: Revolving Development Account
Project Completed: Ongoing

Project Description: The Oakley Valley Water Company was recently formed through the merger of Marion Pipeline Company and the North Oakley Water Company. The Marion Pipeline Company was constructed in 1920 to provide domestic and stock water to the Oakley Valley west of Highway 27. The North Oakley Water Company was constructed in 1960 to provide domestic and stock water to the Oakley Valley east of Highway 27. Springs have historically been the water source for both systems, however, a well was added to the Marion system in 1992, with assistance from the Water Resource Board, for supplemental supply. The two systems deliver water to approximately 890 people and 22,000 head of cattle. Irrigation water in this area is provided by the Oakley Canal Company. Because these two systems are adjacent to each other and have similar problems and O&M requirements, the two companies decided to merge and form the Oakley Valley Water Company, which was accomplished in April of 2001. This project will physically connect the two systems, resulting in the following benefits: (1) this project will mostly alleviate flow and pressure problems that have been present since the construction of these systems. This is important because stockwater is provided from these systems and livestock is a major component of the area economy. (2) The consolidated system will have several water sources, improving system reliability. (3) Administration and O&M expenses will be consolidated. This is expected to result in cost savings over the long term. The project will consist of installing 42,810 LF of pipe to connect the two systems and the construction of a 50,000-gallon storage tank. The project is currently underway. Walton, Inc. (Burley) is the lead contractor and EHM Engineering (Twin Falls) is providing engineering design services.

PICABO WATER SUPPLY PROJECT

Project Sponsor: Picabo Livestock Company
Funding Amount: \$38,000 loan
Funding Committed: April 19, 2002
Account: Revolving Development Account
Project Completed: Spring 2002

Project Description: The Picabo Livestock Company owns and operates the water system that delivers water to the town of Picabo. Water is delivered to 26 homes, 2 commercial connections, and the Picabo Livestock Company for stock watering. Approximately 50 people and 2000 head of cattle are served by this system. Since the original construction of this system the water source has been the Picabo Town Spring, located to the south of town. Due to changes in drinking water regulations, Picabo was required to construct a full treatment system at the spring or find another water source. The Water Resource Board agreed to finance the construction of a new well for Picabo. The project was completed and operational by the spring of 2002. Eaton Drilling & Pump (Wendell) was the lead contractor and Brockway Engineering (Twin Falls) provided engineering design services.

PRESTON - EAST IRRIGATION PIPELINE PROJECT

Project Sponsor: Preston-Riverdale-Mink Creek Canal Company

Funding Amount: \$400,000 loan, 5.5%, 20-year repayment term

Funding Committed: March 23, 2001 & May 15, 2002

Account: Revolving Development Account

Project Completed: May 2002

Project Description: The Preston-Riverdale & Mink Creek Canal Company delivers irrigation water to about 5,200 acres north of Preston. Water is diverted from Mink Creek and delivered to the service area through a 16-mile canal. This project consisted of replacing Canal Company's East Lateral Canal with a gravity pressure pipeline. This pipeline benefits about 2,000 acres, all of this acreage is currently under sprinkler irrigation. This project will allow for full gravity pressurization and eliminate the pumping required for sprinkler irrigation, resulting in a net savings to the irrigators - the power cost reduction is larger than the annual payment to the Water Resource Board. The project was completed in May of 2002 by Christensen Construction & Gravel (Preston), and was placed in service for the 2002 irrigation season.

PRESTON – NORTH IRRIGATION PIPELINE PROJECT

Project Sponsor: Preston-Riverdale-Mink Creek Canal Company

Funding Amount: \$500,000 loan

Funding Committed: April 19, 2002

Account: Revolving Development Account

Project Completed: Ongoing

Project Description: The Preston-Riverdale & Mink Creek Canal Company delivers irrigation water to about 5,200 acres north of Preston. Water is diverted from Mink Creek and delivered to the service area through a 16-mile canal. This project consists of replacing Canal Company's North Lateral Canal with a gravity pressure pipeline. This pipeline will benefit about 2,826 acres, all of which is currently under sprinkler irrigation. This project will allow for full gravity pressurization and eliminate the pumping required for sprinkler irrigation, resulting in a net savings to the irrigators - the power cost reduction will be larger than the annual payment to the Water Resource Board. The project is currently under construction by Christensen Construction & Gravel (Preston), and is scheduled to be placed in service for the 2002 irrigation season.

ROBERTS WATER PLANNING STUDY

Project Sponsor: City of Roberts

Funding Amount: \$3,250 grant & \$23,250 loan

Funding Committed: August 17, 2001

Account: Water Management Account

Project Completed: Ongoing

Project Description: The City of Roberts is located along the Snake River about 15 miles north of Idaho Falls. The City provides water service to 173 residential connections, 16 commercial connections and an agricultural processing plant. Water is supplied from two wells. There are several concerns about this system, including low pressures throughout the system. The distribution lines are old and undersized and constantly need repaired. In order to determine how to fix these problems, the Water Resource Board provided a \$3,250 grant and \$23,250 loan, to go along with a \$20,000 grant from the DEQ, to undertake a study of the water system. The study is currently underway by the engineering firm of Keller & Associates (Boise).

ROBERTSON DITCH REHABILITATION PROJECT

Project Sponsor: Robertson Ditch Company
Funding Amount: \$30,000 loan
Funding Committed: April 19, 2002
Account: Revolving Development Account
Project Completed: April 2002

Project Description: The Robertson Ditch Company owns, operates, and maintains a canal that delivers water to 880 acres and 6 shareholders near Gooding in the Wood River Basin. The Ditch Company delivers a combination of Big Wood River natural flow and American Falls storage water that is brought into the Wood River Basin by the American Falls Reservoir District No. 2. Years of neglect have resulted in slumped canal banks, silted-in channel sections, and areas where there is almost no channel left. This has resulted in reduced water deliveries to the water users. According to the Big Wood Water Master the ditch could deliver approximately 20% of the natural flow and storage water to which the Ditch Company's shareholders are entitled. As a result of these problems, a new board of directors had been elected with a mandate to rehabilitate the canal system. The project consisted rehabilitating the 18-mile long canal along its entire length. Work began in March of 2002 and was complete by late April, in time for the irrigation season. Robison Logging and Excavation of Grandview was the lead contractor. The total project cost was \$36,768, with the IWRB providing \$30,000 in loan funds. The company shareholders can now receive the water to which they are entitled. The canal system has been rehabilitated to a condition such that, with proper maintenance, should provide good service for many years to come.

RUPERT WATER SUPPLY STUDY

Project Sponsor: City of Rupert
Funding Amount: \$7,500 grant
Funding Committed: February 15, 2002
Account: Water Management Account
Project Completed: Ongoing

Project Description: The City of Rupert is located along the Snake River in Minidoka County. The City provides water service to approximately 5,600 people. Connections include 2,185 residential connections, 223 commercial connections, and 2 industrial connections. Water is currently supplied from 2 wells, however, several others have been used in the past and been abandoned due to declining production. The City's current wells are also declining in production. The City is undertaking this study to determine the cause of the declining production rates, and how to construct a new well that would not be affected. The study is currently underway by Sunrise Engineering (Boise).

SUGARLOAF AQUIFER RECHARGE PROJECT

Project Sponsor: Idaho Water Resource Board
Funding Amount: \$60,000 Legislative Appropriation
Funding Committed: January 22, 2002
Account: Water Management Account
Project Completed: Ongoing

Project Description: The 2001 Idaho Legislature, through Senate Bill 1239, appropriated \$60,000 to the IWRB to construct the Sugarloaf Aquifer Recharge Project. This recharge site was identified in the managed aquifer recharge feasibility study undertaken by IDWR examining large-scale recharge of the eastern Snake Plain Aquifer. It was estimated this site could take up to 400 cfs during recharge operations. Construction will consist of water control works to make this site usable for recharge operations. On March 25, 2002 the IWRB entered into a contract with the North Side Canal Company to construct the water control works. This site is on the North Side Canal system. The majority of the work was done before the start of the 2002 irrigation season. A planned ground water quality monitoring well still remains to be installed.

UNITED WATER 1991 PROJECT REFUNDING

Project Sponsor: United Water Idaho
Funding Amount: \$26,775,000 loan from revenue bond proceeds
Funding Committed: August 17, 2001
Account: Water Resource Development Revenue Bond
Project Completed: 1992 – Refunding completed in 2001

Project Description: United Water Idaho is a regulated utility that owns and operates the municipal water system that serves approximately 190,000 people in most of Boise and parts of the surrounding area. In 1991, the IWRB and United Water entered into an agreement for the IWRB to issue \$30 million in Water Resource Development Revenue Bonds, as per the IWRB's authority. The proceeds of the bond sale were used by United Water to construct municipal water system improvements, including the Marden Street Water Treatment Plant that purifies Boise River water prior to delivery for municipal use. As per the agreement, United Water makes the bond debt service payments from its water rates. The refunding allowed the Board to take advantage of the current low market interest rates. The resultant savings were largely passed on to United Water, ultimately resulting in savings to United Water's customers.

VICTOR WATER PLANNING STUDY

Project Sponsor: City of Victor
Funding Amount: \$3,250 grant & \$23,250 loan
Funding Committed: August 17, 2001
Account: Water Management Account
Project Completed: Ongoing

Project Description: The City of Victor is located in the Upper Teton Valley. The City provides water service to 400 residential connections and 36 commercial connections, a log home manufacturing plant. Water is supplied from one well and 6 springs. Over the last several years, this system has run out of water several times, likely due to an extremely small storage capacity. Additional problems include undersized distribution lines for the current demands, and concerns about the spring sources. In order to determine how to fix these problems, the Water Resource Board provided a \$3,250 grant and \$23,250 loan, to go along with a \$20,000 grant from the DEQ, to undertake a study of the water system. The study is currently underway by the engineering firm of Forsgren & Associates (Rexburg).

WESTON CREEK IRRIGATION PIPELINE PROJECT

Project Sponsor: Weston Creek Irrigation Company

Funding Amount: \$8,000 loan

Funding Committed: December 7, 2001

Account: Revolving Development Account

Project Completed: Ongoing

Project Description: The Weston Creek Irrigation Company delivers irrigation water to 1,500 acres (104 shareholders) near Weston in the Bear River Basin. The Company delivers storage water from its Weston Creek Reservoir (2,000 AF capacity). The reservoir is located about 5 miles upstream from the service area. This system has always had a short water supply. Due to high seepage losses in the stream channel between the reservoir and the service area, the Company installed 2.5 miles of pipeline to bypass the released water around the channel. Measurements show this pipeline has saved about 6 cfs from seepage loss. The Company is now proposing to extend the pipeline another 2.5 miles to its service area. After this is accomplished, the water would travel from the reservoir to the company's service area entirely within the pipeline with almost no losses. The Idaho Soil Conservation Commission (SCC), in cooperation with the Franklin County Soil & Water Conservation District, has approved \$48,600 in grant funds for this project. The Water Resource Board agreed to provide funds to pay a private-sector engineering consultant to perform engineering services for this project. The firm of Knighton & Crow (Logan, UT) has been selected. The project is currently in design.

WILDERNESS RANCH WATER TREATMENT PLANT

Project Sponsor: Wilderness Ranch Owners Association

Funding Amount: \$120,000 loan

Funding Committed: June 14, 2002

Account: Revolving Development Account

Project Completed: Ongoing

Project Description: The Wilderness Ranch Owners Association provides water service to 210 homes located along Mores Creek between Boise and Idaho City. A total 307 homes are possible in the future. The water system withdraws water from an infiltration gallery adjacent to Mores Creek. During dry years the yield through the infiltration gallery drops to the point where the Association must impose severe water rationing. Other problems with the water source include arsenic levels considerably above the new limits, elevated copper levels due to the corrosive nature of the water, and radon levels of twice the proposed limits. A test well drilling program was conducted by the Association in 2001 to determine if adequate groundwater supplies are available, however, the results of the test well drilling were negative. The proposed project is to construct a new surface water treatment plant that could draw water from either the infiltration gallery or Mores Creek, and that will treat the water to all applicable standards. The engineering firm of CH2M-Hill (Boise) is providing engineering design services. The Department of Water Resources approved a water right transfer that allows Wilderness Ranch to pump water directly from Mores Creek. The Water Resource Board loan of \$120,000 is to fund the first phase of this project, which is estimated to total about \$1 million.

APPENDIX B: ACCOUNT BALANCE SHEETS AS OF JULY 1, 2002

***Revolving Development Account
Water Management Account***

IDAHO WATER RESOURCE BOARD
Sources and Applications of Funds
as of July 1, 2002
REVOLVING DEVELOPMENT ACCOUNT

Original Appropriation (1969).....	\$500,000.00
Legislative Audits.....	(\$6,635.45)
IWRB Bond Program.....	(\$15,000.00)
Legislative Appropriation FY90-91.....	\$250,000.00
Legislative Appropriation FY91-92.....	\$280,700.00
Legislative Appropriation FY93-94.....	\$500,000.00
IWRB and IDWR Studies and Projects.....	(\$249,067.18)
Loan Interest.....	\$1,821,671.24
Interest Earned State Treasury (Transferred).....	\$923,096.18
Filing Fee Balance.....	\$56,882.20
Bond Fees	\$1,194,329.01
Water Supply Bank Receipts.....	\$372,547.21
Legislative Appropriation FY01.....	\$200,000.00
Transferred from Water Management Account.....	\$208,273.00

Dworshak Hydropower Project

Dworshak Project Revenues		
Power Sales & Other.....	\$1,265,044.35	
Interest Earned State Treasury.....	2,381.54	
Total Dworshak Project Revenues.....		\$1,267,425.89
Dworshak Project Expenses		
Transferred to 1st Security Trustee Account.....	\$146,792.63	
Construction not paid through trustee.....	\$226,106.83	
1st Security Fees.....	\$122,721.63	
Operations & Maintenance.....	\$204,584.19	
Powerplant Repairs.....	\$54,496.65	
Capital Improvements.....	\$318,366.79	
Total Dworshak Project Expenses.....		(\$1,073,068.72)
Dworshak Project Committed Funds		
Emergency Repair/Future Replacement Fund.....	\$194,357.17	
FERC Fee Payment Fund.....	\$0.00	
Total Dworshak Project Committed Funds.....		\$194,357.17

Excess Dworshak Funds into Main Revolving Development Account.....	\$0.00
TOTAL.....	\$6,036,796.21

	Amount	Principal
Loans Outstanding:	Loaned	Outstanding
Arco, City of	\$40,000	\$36,842.52
Atlanta Power Company.....	\$7,000	\$2,106.68
Baird-Hoffman Ditch Company.....	\$19,300	\$2,248.44
Bee Line Water Association.....	\$85,050	\$94,500.00
Big Wood Canal Company.....	\$140,000	\$48,514.00
Caribou Acres Water Company.....	\$88,769	\$61,554.52
Carlin Bay Property Owners Association.....	\$115,609	\$124,097.32
Chaparral Water Association.....	\$90,154	\$64,400.44
Colburn Water Association.....	\$20,000	\$13,002.85
Conant Creek Canal Company.....	\$239,615	\$176,120.54
Cougar Ridge Water & Sewer District.....	\$15,000	\$15,000.00
Cub River Irrigation Company.....	\$50,000	\$39,263.56
Cub River Irrigation Company.....	\$35,000	\$32,236.68
Dalton Water Assoc.....	\$80,193.00	\$80,193.24
Dubois, City of.....	\$100,000	\$65,744.11
Egin Bench Canals, Inc., et al.....	\$153,000	\$49,057.37
Egin Bench Canals, Inc., et al.....	\$164,061	\$58,086.51
Elk River, City of.....	\$20,522	\$15,552.38
Fall River Irrigation Company.....	\$50,000	\$46,249.08
Firth, City of.....	\$112,888	\$112,888.00
Fish Creek Reservoir Company.....	\$339,500	\$97,801.57
Forrey Heights Water Association.....	\$40,000	\$1,601.71
Garden Valley Ranchettes Homeowners Assoc.....	\$43,194	\$2,880.18
Georgetown, City of.....	\$278,500	\$278,500.01
Happy Valley Ranchos Water, Inc.....	\$19,004	\$14,290.80

Revolving Development Account: July 1, 2002 (Continued)

Honeysuckle Hills Owners Association.....	\$150,000	\$127,547.88	
Idaho Botanical Gardens, Inc.....	\$109,934	\$61,494.94	
Jefferson Irrigation Company.....	\$100,000	\$35,348.22	
Kendrick, City of.....	\$37,100	\$27,636.26	
King Creek Grazing Association.....	\$210,000	\$130,863.64	
Kulleyspell Estates Property Owners Assoc.....	\$219,510	\$137,169.94	
Lacey Vista Water Corporation.....	\$28,898	\$18,956.87	
Lakeview Water District.....	\$33,662	\$33,661.86	
Lava Hot Springs, City of.....	\$82,110	\$82,110.00	
Lava Irrigation Company.....	\$7,880	\$6,610.82	
Malad Valley Irrigation Company.....	\$56,000	\$26,056.27	
Mangum Heights Water Association.....	\$7,500	\$6,291.60	
Marion Pipeline Company.....	\$99,975	\$1,057.56	
McCammon, City of.....	\$42,024	\$31,403.72	
Midas Water Corporation.....	\$37,014	\$19,806.26	
Moravia Water System, Inc.....	\$37,188	\$24,291.67	
Mores Creek Rim Ranches Water District.....	\$221,400	\$185,886.38	
Mud Lake, City of.....	\$5,000	\$3,789.20	
Nebels Addition Water & Sewer Association.....	\$46,915	\$23,009.91	
Nezperce, City of.....	\$326,160	\$176,779.89	
New Hope Water Corporation.....	\$42,000	\$42,000.00	
New Plymouth Water Users Association (27-Feb-02).....	\$7,450.00	\$7,450.00	
PPRT Water System.....	\$70,972	\$70,972.00	
Packsaddle Water Corporation.....	\$49,600	\$49,600.00	
Park Water Company.....	\$6,500	\$5,426.52	
Picabo Livestock Co.....	\$38,000.00	\$38,000.00	
Pierce, City of.....	\$110,000	\$50,933.80	
Point Springs Grazing Association.....	\$9,768	\$9,010.19	
Preston Riverdale & Mink Creek Canal Co.....	\$400,000	\$400,000.00	
Preston Riverdale & Mink Creek Canal Co.....	\$378,605	\$378,604.79	
Ranch Subdivision Property Owners Assoc.....	\$19,345	\$12,568.00	
Ririe, City of.....	\$55,000	\$21,861.91	
Robertson Ditch Co.....	\$30,000.00	\$30,000.00	
Rocky Beach Water District.....	\$29,933	\$14,105.65	
Salem Union Irrigation Company.....	\$79,058	\$57,018.25	
Scenic Properties Water Association.....	\$8,887	\$8,169.31	
Shilo Ranch Estates Homeowners Association.....	\$25,456	\$23,280.98	
Silver Sage Water Corporation.....	\$15,000	\$9,105.14	
Singer Ranch Water Association.....	\$16,398	\$9,177.60	
Skin Creek Water Association.....	\$188,258	\$188,257.67	
Spirit Bend Water Association.....	\$92,000	\$75,902.02	
Squaw Creek Irrigation District.....	\$20,700	\$19,101.64	
Teton Island Feeder Canal Company.....	\$39,750	\$29,770.25	
Thatcher Irrigation Company.....	\$2,680	\$2,260.91	
Twenty-Mile Creek Water Association.....	\$104,933	\$103,291.60	
Twin Lakes Canal Company.....	\$44,850	\$42,820.22	
Valley View Estates Water Association.....	\$53,100	\$44,595.11	
Valley View Water & Sewer District.....	\$98,000	\$88,577.94	
White Bird, City of.....	\$5,000	\$508.40	
Whitney-Nashville Water Company.....	\$225,000	\$215,192.86	\$4,753,282.56
Willowbrook Estates Prop Owners.....	\$70,209	\$13,214.40	
TOTAL LOANS OUTSTANDING.....			
Loans and Other Funding Obligations:			
Oakley Valley Water Company (14-June-02).....		\$118,525.00	
Wilderness Ranch Owners Association (14-Jun-02).....		\$84,000.00	
Bloomington, City of (19-Oct-01).....		\$125,000.00	
Dalton Water Assoc.....		\$69,806.76	
Jefferson Irrig Co.....		\$85,800.00	
Lakeview Water District (11-May-01).....		\$23,838.14	
Lava Hot Springs, City of (7-Dec-01).....		\$265,400.00	
Mores Creek Rim Ranches Water District (19-May-00).....		\$60,000.00	
Powder Valley-Shadowbrook Homeowners Assoc. (28-Jun-01).....		\$145,000.00	
Preston-Riverdale-Mink Creek Canal Co.....		\$121,395.20	
Weston Creek Irrigation Company (7-Dec-01).....		\$8,000.00	
TOTAL LOANS AND OTHER FUNDING OBLIGATIONS.....			\$1,106,765.10
Uncommitted Funds.....			\$176,748.55
TOTAL.....			\$6,036,796.21

Idaho Water Resource Board
Sources and Applications of Funds
as of July 1, 2002
WATER MANAGEMENT ACCOUNT

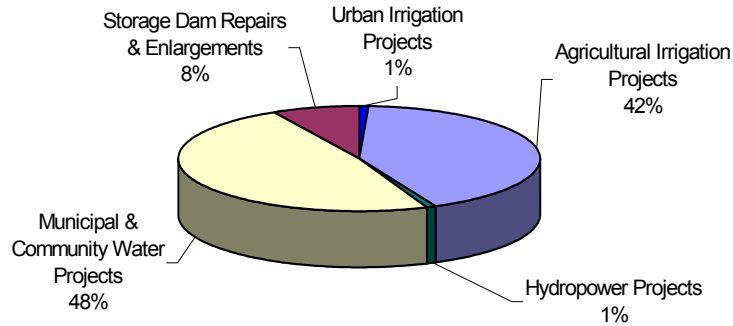
Original Appropriation (1978).....	\$1,000,000.00
Legislative Audits.....	(\$3,145.45)
IWRB Appraisal Study (Charles Thompson).....	(\$5,000.00)
Transfer funds to General Account 1101(HB 130, 1983).....	(\$500,000.00)
Legislative Appropriation (6/29/1984).....	\$115,800.00
Legislative Appropriation (HB988, 1994).....	\$75,000.00
Turned Back to General Account 6/30/95, (HB988, 1994).....	(\$35,014.25)
Legislative Appropriation (SB1260, 1995, Aquifer Recharge, Caribou Dam).....	\$1,000,000.00
Interest Earned.....	\$93,005.14
Filing Fee Balance.....	\$2,721.31
Water Supply Bank Receipts.....	\$755,303.87
Bond Fees.....	\$277,254.94
Funds from DEQ and IDOC for Glenns Ferry Water Study.....	\$10,000.00
Legislative Appropriation FY01.....	\$200,000.00
Transfer to Revolving Development Account.....	(\$208,273.00)
Legislative Appropriation (SB1239, Sugarloaf Aquifer Recharge Project).....	\$60,000.00
TOTAL	\$2,837,652.56
Grants Disbursed:	
Completed Grants.....	\$1,323,110.72
Arimo, City of.....	\$7,500.00
Bloomington, City of.....	\$4,254.86
Bovill, City of.....	\$2,299.42
Buffalo River Water Association.....	\$4,007.25
Cave Bay Community Services.....	\$6,750.00
Central Shoshone County Water District.....	\$816.17
Cottonwood Point Water and Sewer Association	\$2,319.57
Cottonwood, City of.....	\$5,000.00
Curley Creek Water Association.....	\$2,334.15
Fairview Water District.....	\$7,500.01
Fish Creek Reservoir Company, Fish Creek Dam Study.....	\$12,500.00
Franklin, City of.....	\$6,750.00
Greenleaf, City of.....	\$3,000.00
Hansen, City of	\$3,128.72
Hayden Lake Irrigation District.....	\$7,500.00
Iona, City of.....	\$1,425.64
Lakeview Water District.....	\$2,250.00
Lava Hot Springs, City of.....	\$7,500.00
Lower Payette Ditch Company.....	\$5,500.01
Moreland Water & Sewer District.....	\$7,500.00
New Hope Water Corporation.....	\$2,720.39
North Lake Water & Sewer District.....	\$7,500.00
Parkview Water Association.....	\$4,649.98
Payette, City of.....	\$6,579.00
Pierce, City of.....	\$3,780.00
Potlatch, City of.....	\$6,474.00
Round Valley Water.....	\$3,000.00
Sagle Valley Water & Sewer District.....	\$2,117.51
St Charles, City of.....	\$5,632.88
Swan Valley, City of.....	\$5,000.01
Valley View Water & Sewer District.....	\$2,657.45
Victor, City of.....	\$3,375.00

Water Management Account: July 1, 2002 (Continued)

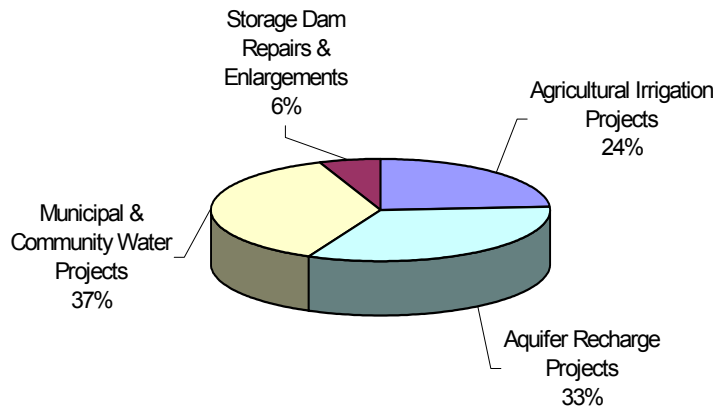
Weston, City of.....	\$6,601.20	
TOTAL GRANTS DISBURSED.....		(\$1,483,033.94)
Expenditures Directed by Legislature		
Obligated 1994 (HB988).....	\$39,985.75	
SB1260, Aquifer Recharge.....	\$947,000.00	
SB1260, Soda (Caribou) Dam Study.....	\$53,000.00	
TOTAL LEGISLATIVE DIRECTED EXPENDITURES.....		(\$1,039,985.75)
WATER RESOURCE BOARD RECHARGE PROJECTS.....		(\$11,426.88)
CURRENT ACCOUNT BALANCE.....		\$303,205.99
Committed Funds:		
Grants Obligated		
Bovill, City of.....	\$1,764.58	
Buffalo River Water Association.....	\$3,492.75	
Butte City, City of.....	\$3,250.00	
Central Shoshone County Water District.....	\$6,683.83	
Cottonwood Point Water & Sewer Association.....	\$5,180.43	
Downey, City of.....	\$7,500.00	
Franklin, City of.....	\$750.00	
Grangeville, City of.....	\$7,500.00	
Hansen, City of.....	\$4,321.28	
Iona, City of.....	\$3,574.36	
Juliaetta, City of.....	\$5,000.00	
Kooskia, City of.....	\$7,500.00	
Lakeview Water District.....	\$250.00	
New Hope Water Corporation.....	\$529.61	
Payette, City of.....	\$921.00	
Pierce, City of.....	\$3,720.00	
Plummer, City of.....	\$5,000.00	
Roberts, City of.....	\$3,750.00	
Rupert, City of.....	\$7,500.00	
Twenty-Mile Creek Water Association.....	\$2,467.00	
Valley View Water & Sewer District.....	\$2,342.55	
Victor, City of.....	\$375.00	
Legislative Directed Obligations		
Sugarloaf Aquifer Recharge Project (SB1239).....	\$60,000.00	
Loans Obligated		
Butte City, City of.....	\$8,250.00	
Roberts, City of.....	\$23,750.00	
Victor, City of.....	\$5,105.87	
TOTAL GRANTS & LOANS OBLIGATED & UNDISBURSED.....		\$180,478.26
Loans Outstanding:	Amount Loaned	Principal Outstanding
Arco, City of.....	\$7,500	\$7,500.00
Ashton, City of.....	\$11,280	\$9,386.12
Franklin, City of.....	\$25,000	\$8,467.12
Malad Valley Irrigation Company.....	\$13,500	\$8,980.94
Rapid River Water & Sewer District.....	\$4,995	\$4,196.99
Victor, City of.....	\$13,698	\$18,644.13
TOTAL LOANS OUTSTANDING.....		\$57,175.30
Uncommitted Funds.....		\$65,552.43
CURRENT ACCOUNT BALANCE.....		\$303,205.99

APPENDIX C: DISTRIBUTION OF FUNDS BY TYPE OF PROJECT

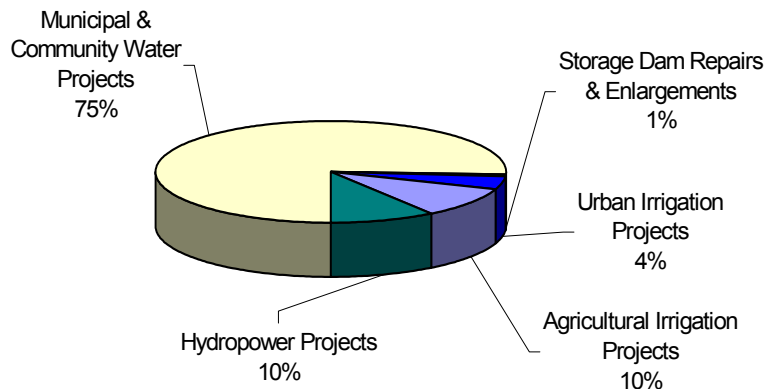
REVOLVING DEVELOPMENT ACCOUNT
Distribution of Funds by Project Type Through FY02



WATER MANAGEMENT ACCOUNT
Distribution of Funds by Project Type Through FY02

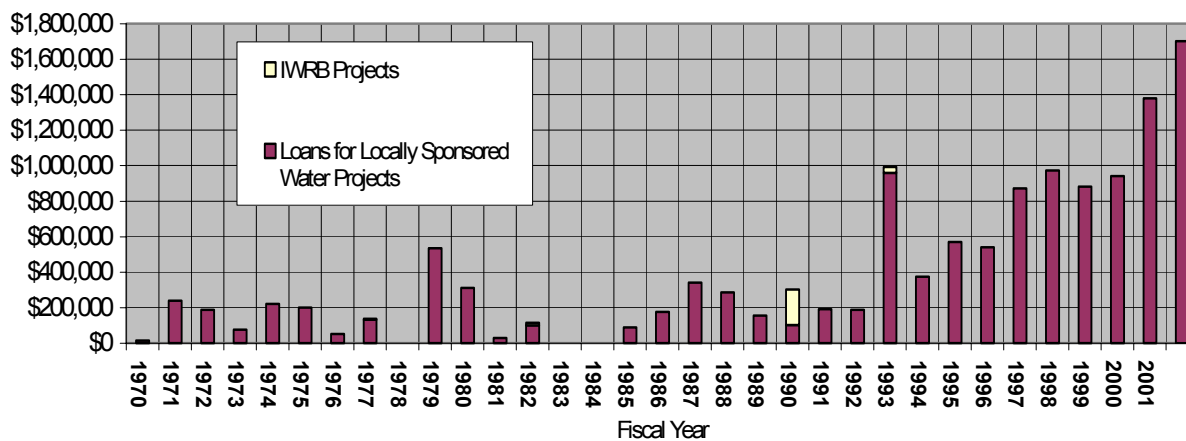


WATER RESOURCE DEVELOPMENT REVENUE BONDS
Distribution of Funds by Project Type Through FY02

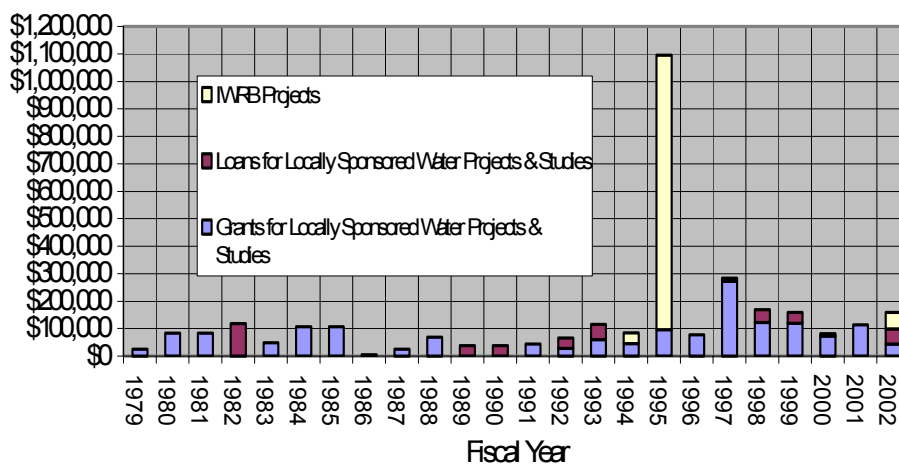


***APPENDIX D: YEAR-BY-YEAR SUMMARY OF FUNDS
AUTHORIZED BY THE WATER RESOURCE BOARD***

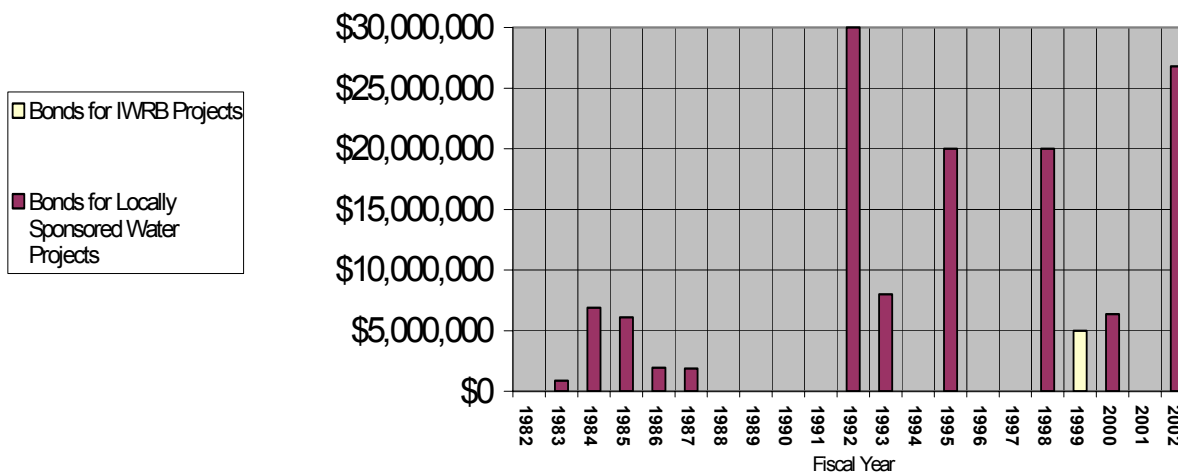
REVOLVING DEVELOPMENT ACCOUNT



WATERMANAGEMENT ACCOUNT



WATER RESOURCE DEVELOPMENT REVENUE BONDS



Fiscal	REVOLVING DEVELOPMENT ACCOUNT		WATER MANAGEMENT ACCOUNT			WATER DEVELOPMENT REVENUE BONDS		
Year	Loans for Locally Sponsored Water Projects	IWRB Projects	Grants for Locally Sponsored Water Projects & Studies	Loans for Locally Sponsored Water Projects & Studies	IWRB Projects	Bonds for Locally Sponsored Water Projects	Bonds for IWRB Projects	TOTALS
1970	\$14,789.00							\$14,789.00
1971	\$239,223.00							\$239,223.00
1972	\$188,000.00							\$188,000.00
1973	\$75,000.00							\$75,000.00
1974	\$220,000.00							\$220,000.00
1975	\$200,000.00							\$200,000.00
1976	\$50,000.00							\$50,000.00
1977	\$131,000.00	\$4,917.00						\$135,917.00
1978								\$0.00
1979	\$534,100.00		\$25,000.00					\$559,100.00
1980	\$310,000.00		\$82,750.00					\$392,750.00
1981	\$28,724.00		\$83,491.00					\$112,215.00
1982	\$100,000.00	\$13,517.00		\$117,970.00				\$231,487.00
1983			\$48,175.00			\$872,200.00		\$920,375.00
1984			\$105,519.00			\$6,890,609.00		\$6,996,128.00
1985	\$87,159.00		\$106,379.00			\$6,099,716.00		\$6,293,254.00
1986	\$174,664.00		\$5,000.00			\$1,933,224.00		\$2,112,888.00
1987	\$339,902.00		\$25,000.00			\$1,876,827.00		\$2,241,729.00
1988	\$285,705.00		\$68,000.00					\$353,705.00
1989	\$154,224.00			\$38,000.00				\$192,224.00
1990	\$102,169.00	\$198,945.00		\$37,982.00				\$339,096.00
1991	\$190,308.00		\$44,339.00					\$234,647.00
1992	\$187,565.00		\$27,584.00	\$37,850.00		\$30,000,000.00		\$30,252,999.00
1993	\$958,947.00	\$33,882.00	\$59,636.00	\$55,165.00		\$8,000,000.00		\$9,107,630.00
1994	\$373,000.00		\$44,500.00		\$39,986.00			\$457,486.00
1995	\$569,061.00		\$95,534.00		\$1,000,000.00	\$20,000,000.00		\$21,664,595.00
1996	\$539,615.00		\$77,500.00					\$617,115.00
1997	\$871,612.00		\$271,850.00		\$11,426.88			\$1,154,888.88
1998	\$972,502.00		\$122,128.00	\$46,900.00		\$20,000,000.00		\$21,141,530.00
1999	\$880,910.00		\$119,740.00	\$38,500.00			\$5,000,000.00	\$6,039,150.00
2000	\$941,143.00		\$76,692.00	\$7,500.00		\$6,370,000.00		\$7,392,085.00
2001	\$1,380,227.00		\$113,200.00					\$1,493,427.00
2002	\$1,701,774.00		\$44,000.00	\$54,750.00	\$60,000.00	\$26,775,000.00		\$28,635,524.00
TOTALS	\$12,801,323.00	\$251,261.00	\$1,646,017.00	\$434,617.00	\$1,111,412.88	\$128,817,576.00	\$5,000,000.00	\$145,062,206.88

Costs associated with this publication are available from the
Idaho Department of Water Resources
in accordance with section 60-202, Idaho Code.

